

ISAC Comments on DHS Budget Proposal to Mental Health and Disability Services Redesign Fiscal Viability Study Committee

FY 2014

The DHS budget proposal acknowledges that there has been no funding increase to counties for the provision of non-Medicaid services over the past two years. Unfortunately, the proposal for FY 2014 does not provide an increase in resources for the counties to fund these services either. In fact, the DHS proposal will result in the counties receiving less funding in FY 2014 than in FY 2013.

- 2013: \$12,381,763 – DHS appropriated for persons with state case status.
- 2014: \$13,383,073 proposed to support county services; however, \$1,122,482 of this will go to DHS to pay SPP bills that arrive in FY 2014. This leaves \$12,260,231 for counties.

Because counties were denied their request to retain state funding to pay carry over Medicaid and state resource center bills, the problem of counties being unable to pay their state bills will be even further exacerbated.

It remains to be seen whether the funding proposed (property tax levy plus state equalization payment plus \$12 million) will be enough to maintain the services in the counties' management plans including residential support, vocational programs, mental health treatment, and institution and commitment services.

FY 2015

The proposal for additional funding for core services in FY 2015 is welcome. The Department recommends a total of approximately \$24.6 million to fund both growth in ongoing services and new services. If this is in addition to the equalization funding, there would be significant new money in the system to provide the services required by Redesign. We would strongly support this so long as the money is distributed to the regions for them to develop the additional services in a manner that will work best for each region.